
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 6, 2017

BENEFITFOCUS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-36061
(Commission File Number)

46-2346314
(IRS Employer Identification No.)

100 Benefitfocus Way, Charleston, South Carolina 29492
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (843) 849-7476

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 and incorporated herein by reference is a presentation that Benefitfocus, Inc. plans to use with various investors and analysts.

The information in this Item 7.01 (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation of March 2017.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

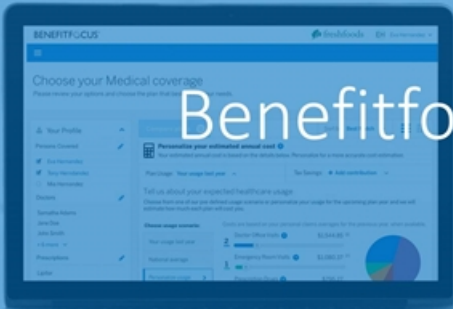
BENEFITFOCUS, INC.

Date: March 6, 2017

/s/ Jeffrey M. Laborde

Jeffrey M. Laborde

Chief Financial Officer



Benefitfocus Investor Presentation

First Quarter 2017

BENEFITFOCUS[®]
All Your Benefits. One Place.[®]

Safe Harbor

This presentation may include forward-looking statements related to the future business and financial performance of Benefitfocus and future events or developments involving Benefitfocus, including our long-term financial model. These statements may be identified by words such as “expects,” “looks forward to,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “may,” “might,” “will,” “could,” “would,” “should,” “targets,” “projects,” “opportunity” or words of similar meaning. Forward-looking statements can involve a number of risks and uncertainties that could cause actual results to differ materially from those explicit or implicit in the forward-looking statements, including our continuing losses and need to achieve GAAP profitability, fluctuations in our financial results, general economic risks, management of growth, the immature and volatile market for our products and services, the need to innovate and deliver useful products and services, ability to compete effectively, reliance on key personnel, privacy, security, regulatory changes, and other risks associated with our business as set forth from time to time in our filings with the SEC. Some of the products and/or product features discussed in this presentation may be works in progress and not yet generally available for sale. Benefitfocus assumes no obligation and does not intend to update any forward-looking statements.

Non-GAAP Financial Measures

The company uses certain non-GAAP financial measures in this presentation and the accompanying tables, including adjusted EBITDA. Generally, a non-GAAP financial measure is a numerical measure of a company’s performance or financial position that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP.

We define adjusted EBITDA as net loss before net interest, taxes, and depreciation and amortization expense, adjusted to eliminate stock-based compensation expense and expense related to the impairment of goodwill and intangible assets. Please note that other companies might define their non-GAAP financial measures differently than we do.

Management presents certain non-GAAP financial measures in this presentation because it considers them to be important supplemental measures of performance. Management uses these non-GAAP financial measures for planning purposes, including analysis of the company’s performance against prior periods, the preparation of operating budgets and determination of appropriate levels of operating and capital investments. Management believes that these non-GAAP financial measures provide additional insight for analysts and investors in evaluating the company’s financial and operational performance. Management also intends to provide certain non-GAAP financial measures as part of the company’s future earnings discussions and, therefore, their inclusion should provide consistency in the company’s financial reporting.

Non-GAAP financial measures have limitations as an analytical tool. Investors are encouraged to review the reconciliation of certain non-GAAP measures to their most directly comparable GAAP measures provided in this presentation, including in the accompanying tables.

BENEFITFOCUS®

Founded in 2000 | NASDAQ: BNFT | 1,400+ Associates

All Your Benefits. One Place.

Better Information = Better Decisions = Better Lives

A leading Enterprise Base Benefits Administration Platform

Single Codebase Cloud Platform

SOC 2 Certified | PCI Compliant

Our Client Base includes:

- 830+ Large Employers
- 50+ Insurance Carriers

Our Platform Supports:

- 1,500+ Data Exchanges
- 100+ Benefit Types



Benefits & Engagement System of Record

Benefitfocus Profile

- Category leader
- Multi-tenant SaaS Technology
- Flexible & Scalable Platform with Mobile First Design
- Deep solution offering solely focused on benefits
- Significant and fast ROI
- Unmatched benefit ecosystem
- ~100% employee participation
- Over \$250 million annualized revenue run rate
- 95%+ Revenue Retention
- 14 public quarters

Industry Profile

Significant Market Opportunity

- \$23 billion TAM*
- Expanding product portfolio
- Strong Partner Ecosystem

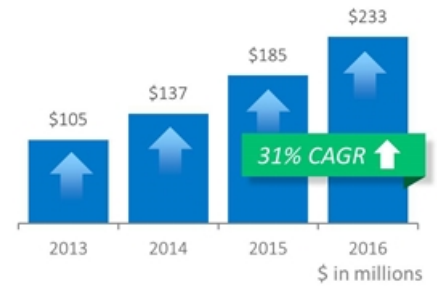
Favorable Secular Tailwinds

- Shift to cloud
- Consumerization/ Personalization of benefits
- Regulatory change and increasing complexity
- Focus on bending healthcare cost curve

Strong Business Growth

Since 2013 IPO

- Total revenue 31% CAGR
- Ramping operational scale
- 49% CAGR in transactions on our platform
- 65%+ increase in data connections



* TAM estimated by Benefitfocus across all segments

Transforming the Way Benefits Are Managed

The Benefitfocus Cloud-based Platform Reduces Complexity and Administrative Costs

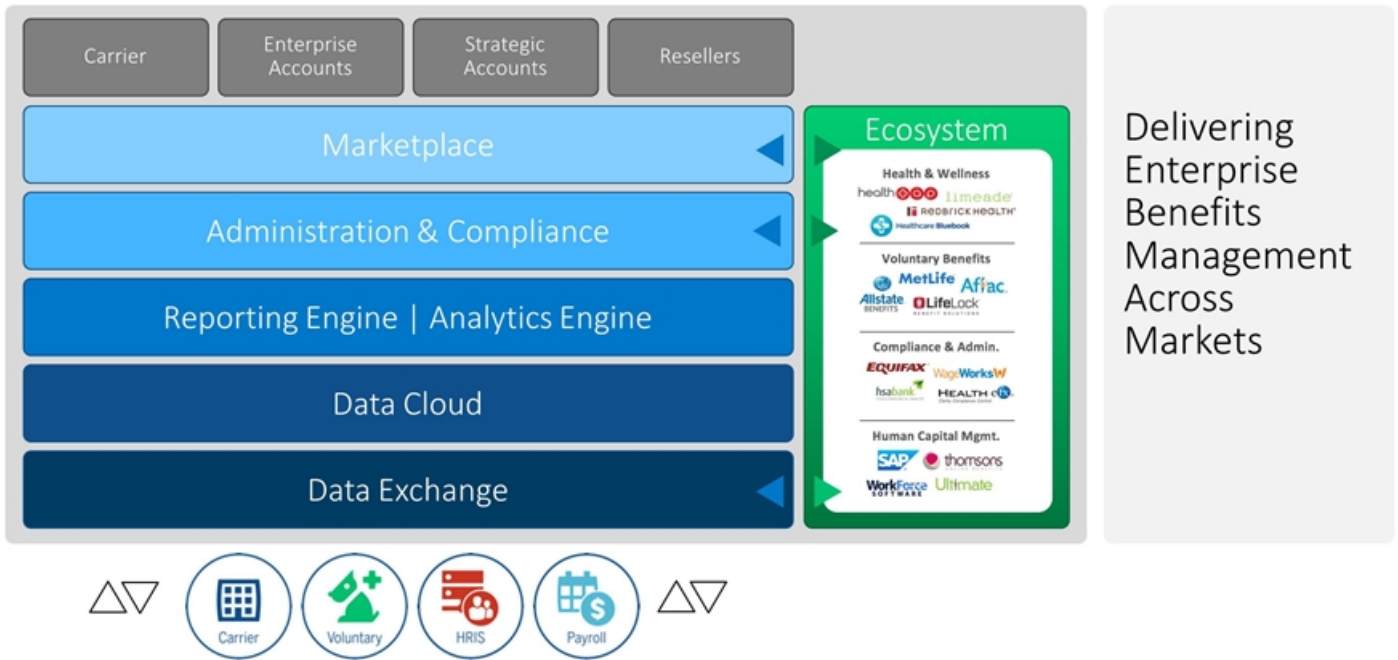
Old Way



New Way



The Benefitfocus Enterprise Benefits Management Platform



Rapidly Growing Blue Chip Customer Base

CARRIERS



EMPLOYERS



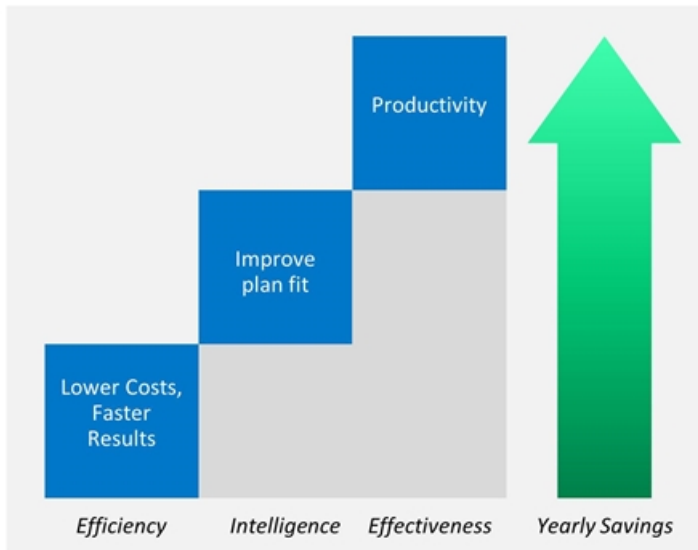
Why We Win

Competitive Factors	Internal Solutions*	Niche HR Outsources*	ERP*	Benefitfocus	Why We Win
Platform					Scalability and breadth of functionality Analytics and business intelligence Claims integration
Technology Leadership					Multi-tenant SaaS Rapid deployment Big Data
Domain Expertise					Benefits leadership Command of healthcare complexities
Network Effect					Real-time data exchange Insurance carrier and employer relationships Broad apps ecosystem
Configuration & Integration					Seamless implementation Highly configurable with other platforms (ERP, HR systems)
User Interface					Engaging user-experience Mobile first design

*As estimated by Benefitfocus

Benefitfocus Improves Process, Reduces Complexity & Lowers Costs

Employer Customer ROI Build



Benefitfocus Platform

Efficiency

- Automate manual processes & administrative tasks
- Reduce human error associated with manual processes, data exchange
- Redeploy HR resources to more strategic activities
- Verify and manage dependent eligibility

Intelligence

- Inform and support better employee HC selection decisions
- Increase personalization & expand adoption of alternative plans
- Enable employer analytics on spend, claims history, adoption, etc.
- Reduce healthcare costs for both employee and employer

Effectiveness

- Increase employee use of benefits & productivity
- Improve employee retention & engagement
- Enhance plan mgmt. (wellness programs, annual changes/enhancements, acquisitions, etc.)

Multiple Distribution Channels

Direct Sales

- *Carrier markets:*
Focused cross-sell & membership growth on our platform
- *Enterprise Accounts:*
Employers with 10,000+ employees
- *Strategic Accounts:*
Employers with 1,000 to 10,000 employees
- *Employer Back-to-Base:*
Focused on cross-sell opportunity

Channel Partners

Mercer Marketplace

- Approximately 1.5 million lives
- Equity investment and expanded commercial relationship

SAP:

- Reseller of Benefitfocus Marketplace as SAP's U.S. Benefits Admin platform
- On SAP U.S. price list
- Tightly integrated and complementary to market-leading core HCM application

Benefitstore

Voluntary benefit product offerings across:

- Gap & Income Protection
- Digital Health
- Financial Wellness

Commission-based revenue model:

- Increasing employee financial responsibilities drives demand for voluntary benefits
- Tremendous opportunity to monetize consumer segment

System Integrators

- Trained and certified third parties performing customer implementations
- Future reseller opportunities
- Adds another important element to our Benefitfocus Ecosystem
- Enables focus to remain on high margin recurring software revenue driving margin expansion & cash flow growth

Our Market Overview

5x
increase

Increase over last decade of covered workers with a deductible of \$1,000 or more



\$1.6
trillion

Amount spent on health care in 2011¹



96
percent

Percent of employers with 50+ employees offering health insurance in 2013²



31
percent

Benefits as a percent of total employee compensation³



\$36
billion

Amount of HSA assets in U.S., up from \$1.7 billion in 2006



1. EBRI.org: Tabulation from Dept. of Commerce, Bureau of Economic Analysis, National Income and Product Accounts of the US and Department of Labor, BLS, CPI

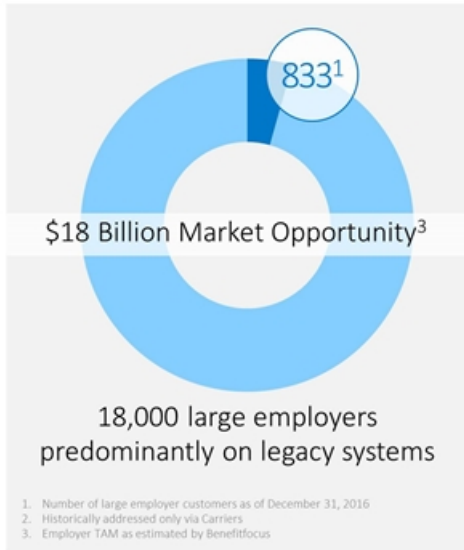
2. Kaiser Family Foundation: Percent of Private Sector Establishment That Offer Health Insurance to Employees, by Firm Size (2013)

3. EBRI.org: EBRI Databook on Employee Benefits, Chapter 3, Employer Costs per Hour Worked for Employee Compensation, Civilian Workers, Selected Years, 2007-2013(2013)

Employer Market Opportunity

Growing our Customer Base = Land

Market Penetration



Market Opportunity

- 10,000+ Employees
• 2,146 U.S. Companies
- 1,000-9,999 Employees
• 15,583 U.S. Companies
- 100-999 Employees
• 99,484 U.S. Companies
- >100 Employees
• Over 5.8 million U.S. Companies

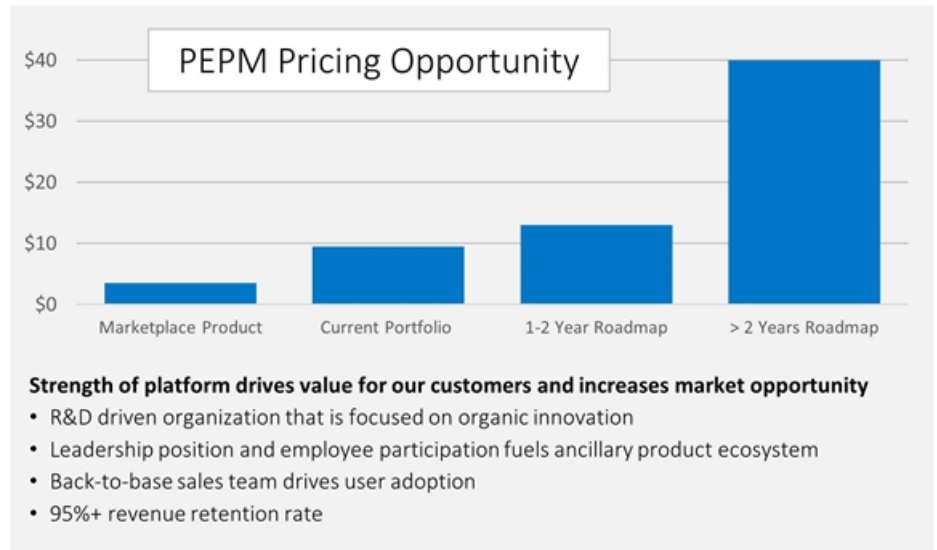
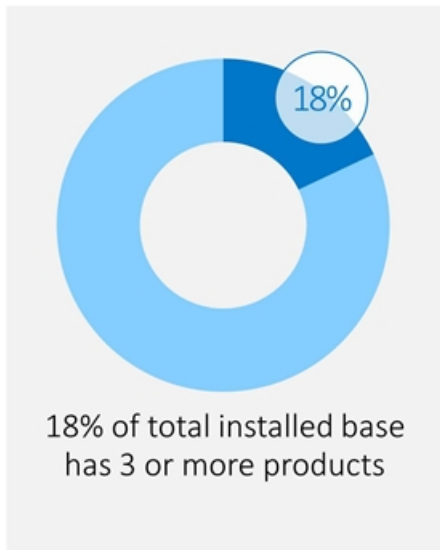
Market Share



Employer Market Opportunity

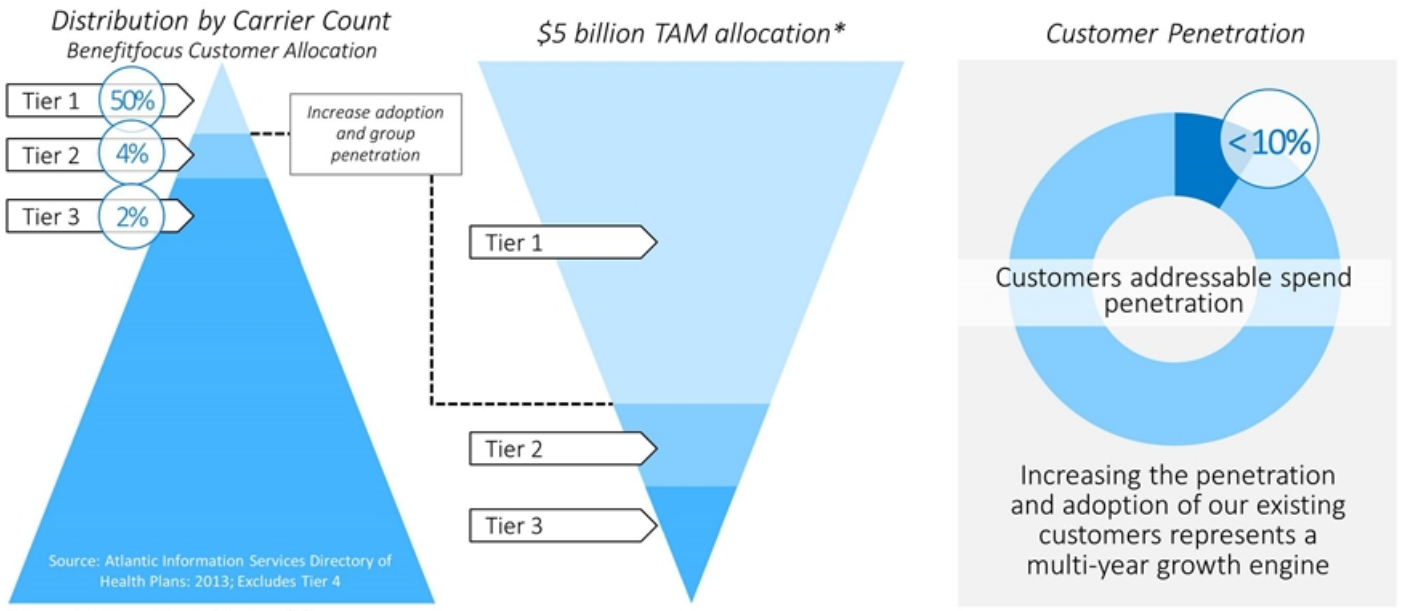
Increase PEPM Spend = Expand

Installed Base Penetration

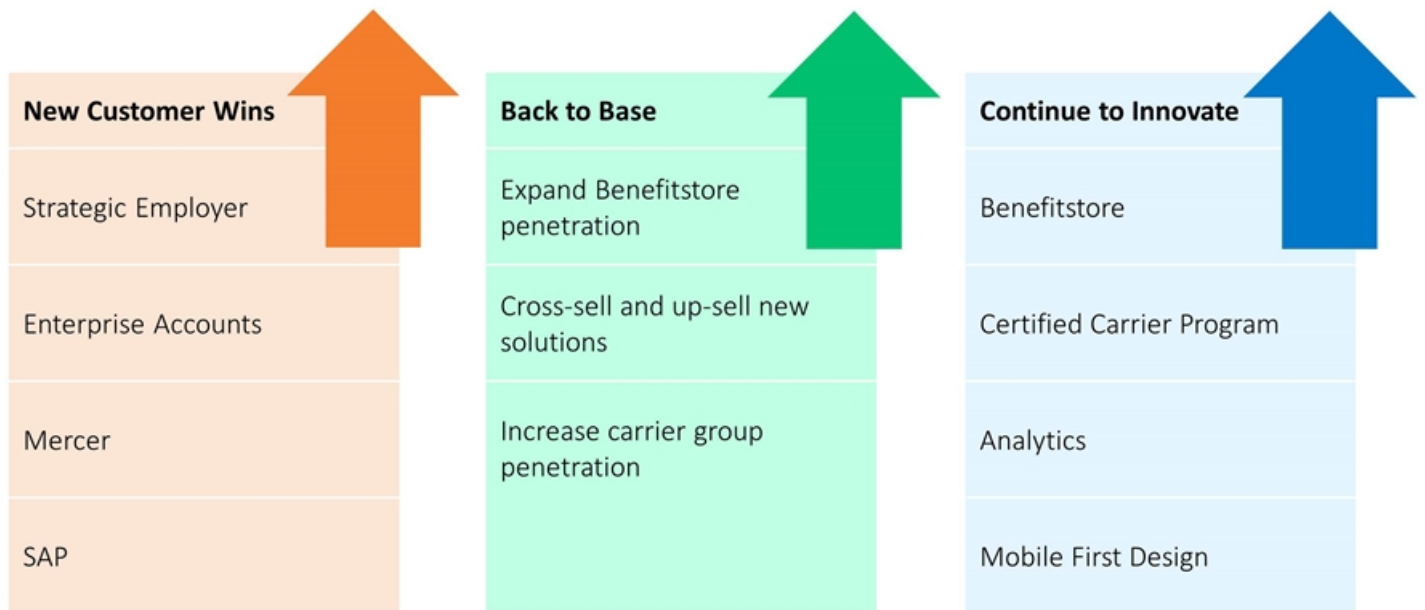


Insurance Carrier Market Opportunity

Benefitfocus is Best Positioned for Top Heavy Carrier Market



Multiple Growth Opportunities

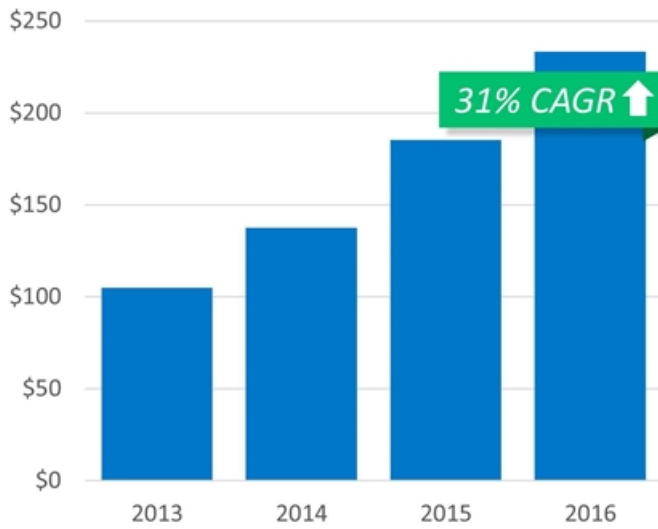


Multiple Growth Drivers in Two Core Markets

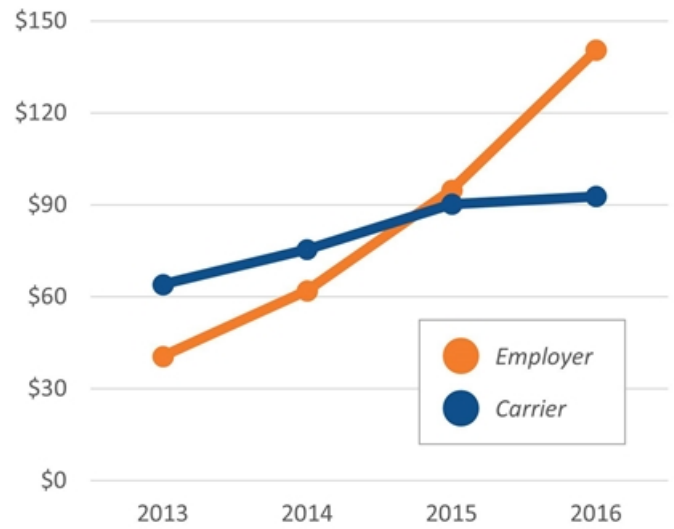
Achieved Revenue Scale That Enables Profitable Growth

\$ in millions

Total Revenue Growth



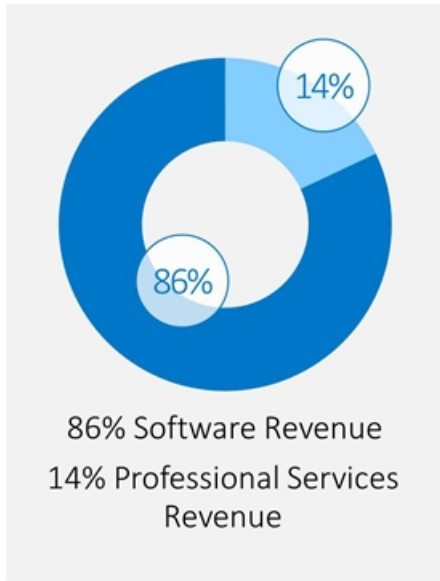
Employer & Carrier Revenue Growth



Recurring Revenue Drives Margin Expansion

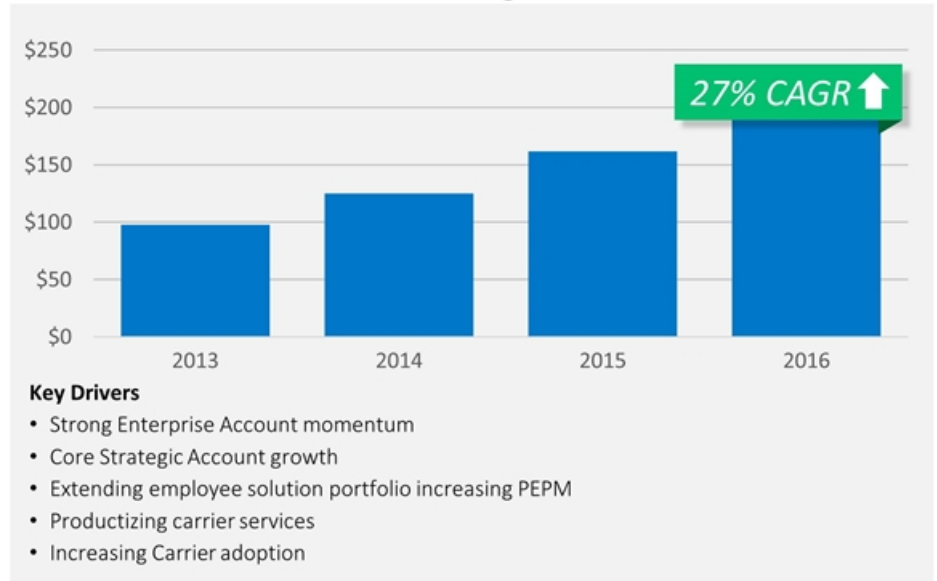
SaaS Model Provides Strong Visibility into Next 12 months

2016 Revenue Allocation



Total Recurring Revenue

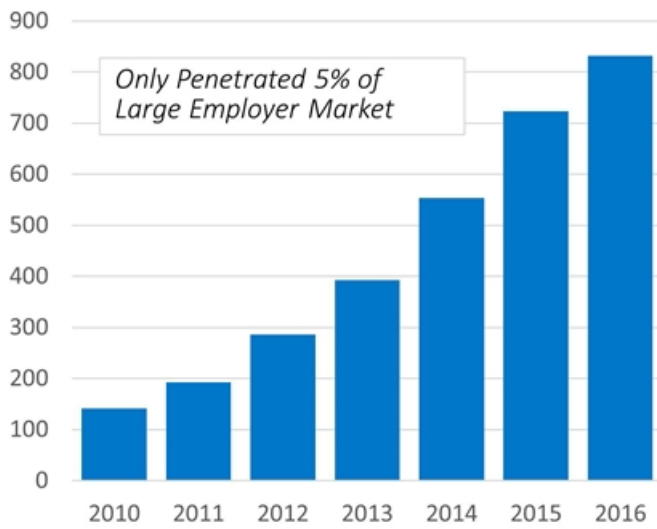
\$ in millions



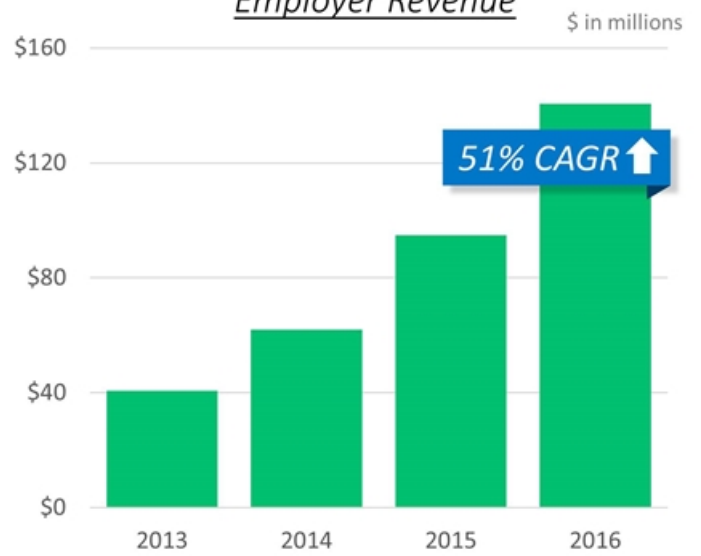
Proven Growth Track Record in Employer Segment

Land & Expand Sales Strategy Focused on Penetrating Employers on Legacy Systems

Large Employer Customers



Employer Revenue



Consistent Margin Improvement



* See important disclosures about non-GAAP measures on slide 2 and reconciliation table on slide 21

* Generated GAAP net loss of (\$40.1), (\$62.1) and (\$63.2) during the years ended December 31, 2016, 2015, 2014, respectively

Long-Term Financial Model

As a % of revenue

	4Q 2016	Long-Term Target
GAAP Gross Margin	48%	65%
GAAP Software Margin	56%	70%
Research & Development	21%	10 – 15%
Sales & Marketing	22%	25 – 30%
General & Administrative	13%	8 – 10%
Adjusted EBITDA Margin	5%	20 - 25%

* See important disclosures about non-GAAP measures on slide 2 and reconciliation table on slide 21

GAAP to Non-GAAP Reconciliation Table

\$ in millions

	2016	2015	2014
Reconciliation from Net Loss to Adjusted EBITDA:			
Net loss	\$ (40.1)	\$ (62.1)	\$ (63.2)
Depreciation and amortization	13.1	11.6	9.6
Interest income	(0.1)	(0.2)	(0.1)
Interest expense	7.9	8.0	4.3
Income tax expense	-	-	-
Stock-based compensation expenses	18.1	10.5	5.6
Total net adjustments	39.0	29.9	19.4
Adjusted EBITDA	\$ (1.1)	\$ (32.2)	\$ (43.8)